

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5400-01
Bill No.: HB 1596
Subject: Department of Public Safety; Law Enforcement Officers and Agencies
Type: Original
Date: February 21, 2014

Bill Summary: This proposal moves the authority to regulate corporate security advisors to the Department of Public Safety

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue*	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund*	\$0	\$0	\$0

* Oversight assumes the Department of Public Safety will charge fees to cover the anticipated annual expenditures of approximately \$55,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1	1	1

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government*	\$0	\$0	\$0

* Losses and Savings that should net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Office of the Director (DPS)** state this bill requires DPS to regulate and license all corporate Security Advisors. DPS will have to promulgate rules to implement the provisions of the law and shall oversee the licensing of Security Advisors. The addition of the program will necessitate the hiring of a Program Representative II. DPS assumes the total cost for this additional FTE to be approximately \$55,000 per year.

Officials from the **Office of the State Courts Administrator** and **Office of the State Public Defender** did not respond to our request for fiscal impact.

Officials from the Office of Prosecution Services, the St. Louis Metropolitan Police Department, and the Kansas City Police Department did not respond to our request for fiscal impact.

Oversight assumes DPS will be able to charge fees for the licensing and renewal of licenses for corporate security advisors. Oversight does not know the number of corporate security advisors that are licensed each year by the St. Louis Metropolitan Police Department and the Kansas City Police Department. In the Code of State Regulations (17 CSR 10-2.040), the Board of Police Commissioners of Kansas City, Missouri has established the following fee schedule:

Annual Company License	\$300
Class A - Armed License	\$145
Class A - Armed License Renewal	\$ 90
Replacement of Lost/Stolen License	\$ 65
Rescheduling Fee	\$ 85

Oversight doesn't know how many licenses DPS will need to issue, or what fees DPS will charge; therefore, we will reflect an unknown amount of revenue into the General Revenue Fund for these fees. However, Oversight assumes DPS will charge fees sufficient to cover their costs of administering this license.

Oversight will also reflect a loss of fees to the local political subdivisions as well as a savings for not having to administer the licensing. Oversight will assume the two will offset.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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GENERAL REVENUE FUND

<u>Income</u> - DPS - licensing fees, renewal fees, and other fees for corporate security officers	At least \$52,384	At least \$55,316	At least \$55,878
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<u>Cost</u> - DPS			
Personal Service (1 FTE)	(\$29,870)	(\$36,202)	(\$36,564)
Fringe Benefits	(\$15,235)	(\$18,465)	(\$18,649)
Expense and Equipment	<u>(\$7,279)</u>	<u>(\$649)</u>	<u>(\$665)</u>
<u>Total Costs</u> - DPS	<u>(\$52,384)</u>	<u>(\$55,316)</u>	<u>(\$55,878)</u>

ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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LOCAL POLITICAL SUBDIVISIONS

<u>Savings</u> - Kansas City and St. Louis Police Departments - no longer regulating corporate security advisors	Unknown	Unknown	Unknown
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<u>Loss</u> - Kansas City and St. Louis Police Departments - no longer collecting fees for regulating corporate security advisors	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal moves the authority to regulate corporate security advisors from the Board of Police Commissioners to the Department of Public Safety.

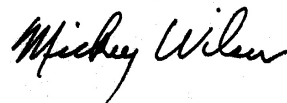
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Office of the State Courts Administrator
Office of the State Public Defender

NOT RESPONDING:

Office of Prosecution Services
St. Louis Metropolitan Police Department
Kansas City Police Department



Mickey Wilson, CPA
Director
February 21, 2014

Ross Strobe
Assistant Director
February 21, 2014